

## Message Text

CONFIDENTIAL

PAGE 01 STATE 028247  
ORIGIN EA-12

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-05 H-01 INR-07  
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15  
USIA-06 EB-08 TRSE-00 IO-13 AID-05 /085 R

DRAFTED BY EA/ANP:EHURWITZ:RLW  
APPROVED BY EA:RCHOLBROOKE  
EA:RBOAKLEY

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R 022008Z PEB 78  
FM SECSTATE WASHDC  
TO AMEMBASSY WELLINGTON  
INFO AMEMBASSY CANBERRA

C O N F I D E N T I A L STATE 028247

E.O. 11652: GDS

TAGS: NZ

SUBJ: NEW ZEALAND AMBASSADOR MEETS WITH ASSISTANT  
SECRETARY HOLBOOKE

1. NEW ZEALAND AMBASSADOR WHITE CALLED AT HIS REQUEST ON  
ASSISTANT SECRETARY HOLBROOKE ON FEBRUARY 1. DEPUTY  
ASSISTANT SECRETARY OAKLEY AND EA/ANP DIRECTOR HURWITZ  
WERE ALSO PRESENT. DURING THE 45-MINUTE MEETING WHITE  
ASKED ABOUT THE THRUST OF THE HONG KONG CHIEFS OF MISSION  
CONFERENCE, THE SHAPE OF US-KOREAN RELATIONS, AND ABOUT  
THE POSSIBILITY OF HOLDING US-GNZ ECONOMIC CONSULTATIONS  
LATER IN THE YEAR. US INVOLVEMENT IN THE SOUTH PACIFIC  
ALSO CAME UP DURING THE DISCUSSIONS.

2. US VIEWS ON ASIA: HOLBROOKE SAID DISCUSSIONS AT THE  
CHIEFS OF MISSION CONFERENCE INDICATED THAT 1977 HAD BEEN  
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3. HOLBROOKE SAID THAT TWO NEGATIVE DEVELOPMENTS IN ASIA WERE OUR DIFFICULTIES WITH KOREA OVER THE INFLUENCE-BUYING SCANDAL AND THE PERSISTENT FEELING THROUGHOUT ASIA THAT THE US WAS SOMEHOW TURNING ITS BACK ON THE AREA. HOLBROOKE UNDERSCORED OUR UNFLAGGING INVOLVEMENT IN ASIA BUT ACKNOWLEDGED THAT THIS HAD NOT BEEN BORNE OUT BY VISITS TO THE AREA OF HIGH-LEVEL OFFICIALS. WE EXPECT TO RECTIFY THIS SITUATION IN 1978 AND HOPE THAT THE VICE PRESIDENT AND ANDY YOUNG WOULD BE ABLE TO TRAVEL TO ASIA; THE QUESTION REMAINS ONE OF SCHEDULING AND THE PRIORITY OF SUCH DOMESTIC ISSUES AS THE ENERGY BILL.

4. KOREAN SECURITY: WHITE ASKED ABOUT THE PROSPECTS FOR CONFIDENTIAL

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APPROVED BY EA/ANP:ROAKLEY

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R 061925Z FEB 78

FM SECSTATE WASHDC

INFO RUEHCR/AMEMBASSY SUVA 0000

AMEMBASSY BANGKOK

AMEMBASSY KUALA LUMPUR

AMEMBASSY PORT MORESBY

AMEMBASSY MANILA

AMEMBASSY SINGAPORE

AMEMBASSY SEOUL

AMEMBASSY JAKARTA

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FOLLOWING REPEAT STATE 028247 ACTION WELLINGTON INFO CANBERRA FEB 2.

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ANUVNCE  
UNQUOTE VANCE

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\*\*\* Current Handling Restrictions \*\*\* n/a  
\*\*\* Current Classification \*\*\* CONFIDENTIAL  
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CONFERENCE, THE SHAPE OF US-KOREAN RELATIONS, AND ABOUT THE POSSIBILITY OF HOLDING US-GNZ ECONOMIC CONSULTATIONS LATER IN THE YEAR. US INVOLVEMENT IN THE SOUTH PACIFIC ALSO CAME UP DURING THE DISCUSSIONS.

2. US VIEWS ON ASIA: HOLBROOKE SAID DISCUSSIONS AT THE CHIEFS OF MISSION CONFERENCE INDICATED THAT 1977 HAD BEEN A GOOD YEAR FROM THE STANDPOINT OF US INTERESTS IN ASIA. WE HAD IMPROVED OUR RELATIONS WITH PHILIPPINES, AND STRENGTHENED OUR TIES WITH INDONESIA, THAILAND AND ASEAN. WE HAD OF COURSE HAD SOME DIFFICULTIES WITH JAPAN, SUCH AS TRADE ISSUES AND THE TOKAI MURA REPROCESSING PLANT PROBLEM, BUT THESE WERE HANDLED WITHOUT ANY SIGNIFICANT DAMAGE TO OUR OVERALL RELATIONS. OAKLEY POINTED OUT THAT ANOTHER PLUS WAS AN ENCOURAGING TREND IN VIETNAMESE RELATIONS WITH

THE ASEAN NATIONS. IN HIS DISCUSSION WITH ASEAN OFFICIALS RECENTLY, OAKLEY SAID HE FOUND DIMINISHED FEARS OF PRESSURES FROM VIETNAM FOR THE TIME BEING. INSTEAD, THESE OFFICIALS INDICATED THAT THE VIETNAMESE FOREIGN MINISTER ON HIS RECENT SWING THROUGH THE AREA HAD COME IN THE CAPACITY OF DEMANDEUR. IT APPEARS THAT VIETNAM, PARTIALLY BECAUSE OF ECONOMIC PROBLEMS, IS SEEKING BETTER RELATIONS WITH ASEAN. HOLBROOKE POINTED OUT THAT SOME PRESS REPORTS THAT WE WERE CONCERNED ABOUT IMPROVED ASEAN-VIETNAMESE TIES WERE ERRONEOUS; IN FACT WE HAD BEEN ENCOURAGING SUCH A DEVELOPMENT.

3. HOLBROOKE SAID THAT TWO NEGATIVE DEVELOPMENTS IN ASIA WERE OUR DIFFICULTIES WITH KOREA OVER THE INFLUENCE-BUYING SCANDAL AND THE PERSISTENT FEELING THROUGHOUT ASIA THAT THE US WAS SOMEHOW TURNING ITS BACK ON THE AREA. HOLBROOKE UNDERSCORED OUR UNFLAGGING INVOLVEMENT IN ASIA BUT ACKNOW-  
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LEDGED THAT THIS HAD NOT BEEN BORNE OUT BY VISITS TO THE AREA OF HIGH-LEVEL OFFICIALS. WE EXPECT TO RECTIFY THIS SITUATION IN 1978 AND HOPE THAT THE VICE PRESIDENT AND ANDY YOUNG WOULD BE ABLE TO TRAVEL TO ASIA; THE QUESTION REMAINS ONE OF SCHEDULING AND THE PRIORITY OF SUCH

DOMESTIC ISSUES AS THE ENERGY BILL.

4. KOREAN SECURITY: WHITE ASKED ABOUT THE PROSPECTS FOR SECURITY AID TO KOREA IN LIGHT OF THE INFLUENCE-BUYING SCANDAL. HOLBROOKE SAID THAT WE HAD BEEN TRYING TO IMPRESS ON THE SPEAKER AND OTHER CONGRESSIONAL LEADERS THE NEED FOR MILITARY AID TO KOREA. IT WAS HIS "HOPEFUL GUESS" THAT CONGRESS WILL VOTE SUCH AID, ALTHOUGH THE AMOUNT WOULD PROBABLY NOT BE AS GREAT AS THE 800 MILLION BEING REQUESTED BY THE ADMINISTRATION. CONGRESSIONAL ATTITUDES SHOULD BECOME CLEARER DURING THE CONGRESSIONAL TESTIMONY IN LATE FEBRUARY OF SECRETARIES VANCE AND BROWN ON MILITARY ASSISTANCE.

5. US-VIETNAMESE RELATIONS: ASKED ABOUT US-VIETNAMESE RELATIONS, HOLBROOKE SAID THE RECENT SPY CASE WILL PROBABLY COMPLICATE THE PROBLEM OF NORMALIZATION, AND, IN PARTICULAR, WILL FUEL HOSTILITY TO VIETNAM WHICH IS WIDESPREAD IN THE US AND IN CONGRESS. THERE WAS A GOOD POSSIBILITY THAT THE SRV PERMREP AT THE UN, WHO WAS NAMED IN THE INDICTMENT AS AN UNINDICTED CO-CONSPIRATOR, WOULD BE ASKED TO LEAVE THE COUNTRY. NOTING THAT HANOI WAS ALREADY DENOUNCING THE CASE AS A FABRICATION, HOLBROOKE SAID THE ISSUE WOULD ALMOST CERTAINLY BE A SETBACK IN OUR RELATIONS. GIVEN THE ESPIONAGE CHARGES MADE IN THE CAREFULLY COMPILED INDICTMENT, HOWEVER, THIS CONSIDERATION OBVIOUSLY HAD TO TAKE A BACK SEAT TO THE LEGAL PROCESS.

6. US INVOLVEMENT IN THE SOUTH PACIFIC: HOLBROOKE SAID THAT DURING HIS RECENT VISIT TO WESTERN SAMOA, PRIME MINISTER TUPUOLA EFI HAD AGAIN PRESSED FOR THE US TO CONFIDENTIAL

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APPOINT A RESIDENT AMBASSADOR IN AMERICAN SAMOA WHO WOULD BE ACCREDITED TO VARIOUS ISLAND STATES. THE NEW GOVERNOR OF AMERICAN SAMOA, PETER COLEMAN, WAS RECEPTIVE TO THE IDEA. (DURING HIS DEPARTURE FROM THE BUILDING WHITE TOLD HURWITZ THAT HE THOUGHT THE IDEA WAS A BAD ONE). HOLBROOKE SAID THAT WE WERE GOING TO INCREASE OUR INVOLVEMENT IN THE SOUTH PACIFIC BUT WANTED FIRST TO TAKE A HARD, COORDINATED LOOK AT OUR POLICIES TOWARD THE AREA, INCLUDING THE QUESTION OF OUR REPRESENTATION THERE. THIS EVALUATION WILL INCLUDE CLOSE CONSULTATION WITH THE GNZ. HOLBROOKE NOTED OUR GROWING INTEREST IN THE AREA AS EVIDENCED BY SUCH DEVELOPMENTS AS OUR APPOINTMENT OF A RESIDENT AMBASSADOR IN FIJI. HE MENTIONED OUR MODESTLY INCREASING AID PROGRAMS AND OUR INTENTION TO STATION AN AID MAN IN THE AREA. IT WAS NOT CLEAR YET WHETHER THE AID REPRESENTATIVE WOULD BE LOCATED IN SUVA AS ORIGINALLY PLANNED. IN ANY EVENT, WE WANTED TO MAKE SURE THAT HIS

PRESENCE IN THE AREA DID NOT GIVE RISE TO EXAGGERATED EXPECTATIONS OF AN INFLUX OF US AID FUNDS. WHITE SAID HE HAD BEEN BRIEFED BY EA/ANP ON CURRENT AND PROJECTED AID PROGRAMS. HE NOTED THAT THE ISLAND GOVERNMENTS GENERALLY PREFERRED TO RECEIVE AID DIRECTLY RATHER THAN THROUGH PRIVATE VOLUNTARY AGENCIES.

7. ECONOMIC CONSULTATIONS: WHITE SAID THAT HE HAD BEEN INSTRUCTED TO PROPOSE THAT US-GNZ ECONOMIC CONSULTATIONS, WHICH HAD BEGUN IN 1969 AND HELD EVERY OTHER YEAR OR SO SINCE THEN, BE RESUMED THIS YEAR, PERHAPS IN OCTOBER WHEN GNZ OFFICIALS WOULD BE IN THE US FOR THE IMF MEETING. (BEGIN FYI) HE SAID THAT HE WAS NOT PERSONALLY CONVINCED THAT SUCH CONSULTATIONS WERE NECESSARY. THE MULDOON VISIT, THE DEPUTY STR'S TRIP TO WELLINGTON AND THE VISIT OF THE NZ MINISTER OF AGRICULTURE TO THE US INDICATE THAT  
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THERE IS SUFFICIENT CONTACT ON ECONOMIC MATTERS BETWEEN THE TWO COUNTRIES. MOREOVER, HE FELT THAT REGULARLY SCHEDULED CONSULTATIONS ARE OFTEN GIVEN SHORT SHRIFT BY TOP POLICY MAKERS AND DEVOLVE INTO DISCUSSION OF LESS IMPORTANT DETAIL. (END FYI). HOLBROOKE SAID WE WOULD LOOK INTO THE GNZ PROPOSAL.

8. PINTADO VISIT: HOLBROOKE SAID THAT WE WERE PLEASED WITH THE RECEPTION GIVEN THE USS PINTADO IN NEW ZEALAND. HE NOTED THAT A REPLY FROM THE PRESIDENT TO PRIME MINISTER MULDOON'S MESSAGE ON THE VISIT WOULD PROBABLY GO OUT SOON. HE SAID THAT HE WOULD SOON BE SENDING A REPLY TO BILL ROWLING'S MESSAGE PROTESTING THE VISIT.  
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UNQUOTE VANCE

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